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AKSHAR SPINTEX LIMITED

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Our company was originally incorporated as private limited Company under the Companies Act, 1956 as "Akshar Spintex Private Limited" vide certificate of incorporation dated June 19, 2013 issued by Registrar of Companies, Gujarat. Subsequently, our Company was converted into a Public Limited Company pursuant to special resolution passed by the members in Extraordinary General Meeting held on December 26, 2017 and the name of our Company was changed to "Akshar Spintex Limited", vide a fresh Certificate of Incorporation dated January 05, 2018, issued by Registrar of Companies, Ahmedabad, Gujarat. The company got listed on SME Platform of BSE Limited on May 11, 2018, bearing Scrip Code 541303 and Scrip Name AKSHAR. Subsequently, the Company migrated its securities to the Main Board of the BSE with Scrip Code 541303 on May 20, 2022 and also received listing and trading approval of its securities with the Main Board of NSE bearing Symbol AKSHAR w.e.f. May 23, 2022. The ISIN of the Company is INE256Z01025. For details see 'General Information' on page 52 of the Draft Letter of Offer.

Corporate Identification Number: L17291GJ2013PLC075677

Registered Office: Revenue Survey No.102/2 Paiki, Plot No. - 2 Village: Haripar, Ranuja Road. Tal: Kalavad. Jamnagar - 361013, Gujarat, India

Contact No: +91-7574887015 **Contact Person:** Mrs. Bharti Girdharbhai Ajudiya, Company Secretary and Compliance Officer;

Email-ID: cs@aksharspintex.in | **Website:** www.aksharspintex.in

CORRIGENDUM -CUM-ADDENDUM TO THE DRAFT LETTER OF OFFER DATED APRIL 30, 2024 (THE "DRAFT LETTER OF OFFER" OR THE "DLOF"): NOTICE TO INVESTORS (THE "CORRIGENDUM-CUM-ADDENDUM")

PROMOTERS OF OUR COMPANY: HARIKRUSHNA SHAMJIBHAI CHAUHAN, AMIT VALLABHBHAI GADHIYA, REKHABEN HARIKRUSHNABHAI CHAUHAN

ISSUE OF UPTO [•]* FULLY PAID-UP EQUITY SHARES OF FACE VALUE OF ₹ 1/- EACH ("RIGHTS EQUITY SHARES") OF AKSHAR SPINTEX LIMITED ("ASL" OR THE "COMPANY" OR THE "ISSUER") FOR CASH AT A PRICE OF ₹ [•]/- EACH INCLUDING A SHARE PREMIUM OF ₹ [•] PER RIGHTS EQUITY SHARE ("ISSUE PRICE") AGGREGATING UPTO ₹ 4,900.00 LAKHS ON A RIGHTS ISSUE BASIS TO THE ELIGIBLE EQUITY SHAREHOLDERS OF OUR COMPANY IN THE RATIO OF [•] ([•]) RIGHTS EQUITY SHARES FOR EVERY [•] ([•]) EQUITY SHARE HELD BY SUCH ELIGIBLE EQUITY SHAREHOLDERS AS ON THE RECORD DATE, [•] ("ISSUE"). THE ISSUE PRICE IS [•] ([•]) TIME THE FACE VALUE OF THE EQUITY SHARE. FOR FURTHER DETAILS, KINDLY REFER TO THE SECTION TITLED 'TERMS OF THE ISSUE' BEGINNING ON PAGE 256 OF THE DRAFT LETTER OF OFFER (the "DLOF").

***Assuming full subscription**

This is with reference to the DLOF and Corrigendum-cum-Addendum to the DLOF dated May 11, 2024 filed by the Company with the **BSE Limited ("BSE")** and **National Stock Exchange of India Limited ("NSE")** (together, the "Stock Exchanges"). Potential Shareholders may note the following:

- 1) Certain updates have been made in risk factor no. 6, 20, 48, 49 and 50 under the section titled "Risk Factors" beginning from page 26 of the DLOF, as provided on page 3-4 of this Corrigendum-cum-Addendum.
- 2) Certain updates have also been made under the section titled "Particulars of the Issue" beginning from page 60 of the DLOF, under paragraph titled "Requirement of Funds, Schedule of Implementation and Utilization of Issue Proceeds" on page 60-61 as provided on page 5 of this Corrigendum-cum-Addendum.
- 3) Under the section titled "Particulars of the Issue" beginning from page 60 of the DLOF, point no.1 of paragraph titled "Details of the Objects of the Issue" on page 61-62 shall be updated and/ or added, as provided beginning on page 5 of the Corrigendum-cum-Addendum.

The above changes and/ or additions are to be read in conjunction with the DLOF and Corrigendum-cum-Addendum to the DLOF dated May 11, 2024 unless indicated otherwise, and accordingly their references in the DLOF stand updated pursuant to the Corrigendum-cum-Addendum to the DLOF. The information in this Corrigendum-cum-Addendum supplements the DLOF and Corrigendum-cum-Addendum to the DLOF dated May 11, 2024 and updates the information in the DLOF, as applicable.

Please note that the information included in the DLOF will be suitably updated, including to the extent stated in this Corrigendum-cum-Addendum, as may be applicable in the Letter of Offer, as and when filed with the Stock Exchanges. Shareholders/ Investors should read the Letter of Offer as and when filed with the Stock Exchanges before making an investment decision in the Issue.

All capitalized terms used in this Corrigendum-cum-Addendum shall, unless the context otherwise requires, have the meaning ascribed to them in the DLOF.

The Equity Shares have not been and will not be registered under the United States Securities Act of 1933, as amended (the "Securities Act") or any state law of the United States and, unless so registered, may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state securities laws. Accordingly, the Equity Shares are being offered and sold outside the United States in compliance with Regulation S and the applicable laws of the jurisdiction where those offers and sales are made. The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be issued or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

The Corrigendum-cum-Addendum is filed with the Stock Exchanges and shall be made available on the website of the Stock Exchanges i.e. NSE and BSE at www.nseindia.com and www.bseindia.com and also on the website of the Company at www.aksharspintex.in

On behalf of Akshar Spintex Limited

Sd/-

*Mr. Amit Vallabhghai Gadhiya
Managing Director*

**Place: Jamnagar
Date: June 7, 2024**

REGISTRAR TO THE ISSUE



BIGSHARE SERVICES PRIVATE LIMITED

Address: Office No S6-2, 6th floor Pinnacle Business Park, Next to Ahura Centre, Mahakali Caves Road, Andheri (East) Mumbai - 400093, India

Contact Person: Mr. Suraj Gupta **Tel No.:** +022-62638200

Email: rightsissue@bigshareonline.com | **Investor grievance e-mail:** investor@bigshareonline.com | **Website:** www.bigshareonline.com

SEBI Registration No: INR000001385

Our Company is proposing, subject to applicable statutory and regulatory requirements, receipt of requisite approvals, market conditions and other considerations, to issue Equity Shares on a rights basis and has filed a DLOF dated April 30, 2024 with the Stock Exchanges. The DLOF and the Corrigendum-cum-Addendum to the DLOF shall be available on the websites of the Stock Exchanges i.e., NSE at www.nseindia.com and BSE at www.bseindia.com, respectively. Potential Shareholders/ Investors should note that investment in securities involves a high degree of risk and are requested to refer to the DLOF, including the section "Risk Factors" beginning on page 26 of the DLOF in making investment decisions. This Corrigendum-cum-Addendum to the DLOF has been prepared for publication in India and may not be released in the United States. This Corrigendum-cum-Addendum to the DLOF does not constitute an offer of Equity Shares for sale in any jurisdiction, including the United States, and any Equity Shares described in this announcement may not be offered or sold in the United States absent registration under the US Securities Act of 1933, as amended, or an exemption from registration. There will be no public offering of Equity Shares in the United States.



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SECTION III – RISK FACTORS

1. Under the section titled “Risk Factors” beginning from page 26 of the DLOF, under Risk Factor No. 6 on page 28-29 following paragraph shall stand added and read as below:

“The aforesaid related party transactions were in compliance with the applicable provisions of the Companies Act, 2013 and other applicable laws.”

2. Under the section titled “Risk Factors” beginning from page 26 of the DLOF, under Risk Factor No. 20 on page 34-35 the brief Summary of our working capital position shall stand substituted and read as below:

(₹ in Lakhs)

Particulars	As at 31 st March,		
	2021	2022	2023
A. Current Assets			
Inventories	1564.35	3318.23	1737.68
Trade Receivables	314.31	103.51	1213.04
Cash and Cash Equivalents	8.89	5.00	1.74
Short Term Loans & Advances	1.36	0.25	0
Other Current Assets	385.61	1456.41	642.97
Total Current Assets	2274.52	4883.40	3595.43
B. Current Liabilities			
Trade Payables	751.32	1357.79	1479.06
Other Current Liabilities	759.56	1445.61	457.93
Short Term Borrowings	500.13	754.81	745.49
Provisions	52.73	113.43	55.58
Total Current Liabilities	2063.73	3671.64	2738.07
Working Capital (A-B)	210.78	1211.76	857.37
Inventories as % of total current assets	68.78	67.95	48.33
Trade receivables as % of total current assets	13.82	2.12	33.74

3. Under the section titled “Risk Factors” beginning from page 26 of the DLOF, the Risk Factor No. 48 on page 42 shall stand removed. Consequently the numbering of risk factors shall stand modified in a consecutive manner.
4. Under the section titled “Risk Factors” beginning from page 26 of the DLOF, the Risk Factor No. 48 (the erstwhile risk factor 49, now numbered 48 as sequence changed due to removal of risk factor 48) on page 42 shall stand substituted and read as below:

48. “We have not commissioned an industry report for the disclosures made in the chapter titled “Industry Overview” and made disclosures on the basis of the data available on the internet and such data has not been independently verified by us.

We have neither commissioned an industry report nor sought consent from the quoted website source for the disclosures which need to be made in the chapter titled “Industry Overview” of this Draft Letter of Offer.

We have made disclosures in the said chapter on the basis of the relevant industry-related data available online for which relevant consents have not been obtained. We have not independently verified such data.



Further, the industry data mentioned in this Draft Letter of Offer or sources from which the data has been collected are not recommendations to invest in our Company. Accordingly, investors should read the industry-related disclosure in this Draft Letter of Offer in this context.”

5. ***Under the section titled “Risk Factors” beginning from page 26 of the DLOF, under Risk Factor No. 49(the erstwhile risk factor 50, now numbered 49 as sequence changed due to removal of risk factor 48) on page 43 shall stand substituted and read as below:***

“49. The requirements of being a public listed company on BSE & NSE Main Board may strain our resources and impose additional requirements. Our Company is subject to certain obligations and reporting requirements under SEBI Listing Regulations. Any non-compliances/delay in complying with such obligations and reporting requirements may render us/our promoter liable to prosecution and/or penalties.

With the increased scrutiny of the affairs of a public listed company day by day by shareholders, regulators and the public at large, we may incur significant legal, accounting, corporate governance and other expenses. Our Company is subject to certain obligations and reporting requirements under SEBI Listing Regulations. There can be no assurance that we will be able to satisfy our reporting obligations and/or readily determine and report any changes in a timely manner as required under applicable rules and/or regulations. Any non-compliances/delay in complying with such obligations and reporting requirements may render us/our promoter liable to prosecution and/or penalties.”

SECTION V – PARTICULARS OF THE ISSUE

6. ***Under the section titled “Particulars of the Issue” beginning from page 60 of the DLOF, under the paragraph titled “Requirement of Funds, Schedule of Implementation and Utilization of Issue Proceeds” on page 60-61 the last paragraph shall stand substituted and read as below:***

“The deployment of the Net Proceeds from the Issue is based on management estimates and have not been independently appraised by any bank or financial institution and is not subject to any monitoring by any independent agency and our Company’s management will have flexibility in utilizing the Net Proceeds from the Issue in accordance with all the applicable laws.”

7. ***Under the section titled “Particulars of the Issue” beginning from page 60 of the DLOF, under the point number 1 of paragraph titled “Details of the Objects of the Issue” on page 61-62 following paragraph shall stand added and read as below:***

“Our Company was in receipt of sanction letter from State Bank of India dated 25th January 2014 for Bank finance and credit facilities aggregating to Rs. 48.35Crores. The said sanction letter stipulated a condition that “If the cash/internal accruals are less than the projections, the promoters shall raise interest free unsecured loans for the corresponding amount and the payment of term loan instalments/ interest shall be made from the promoter’s own sources.”

As a part of conditions stipulated under the sanction letter the directors and promoters of the Company provided unsecured loans to the Company for margin requirements as and when required. The Company has utilised the proceeds of such unsecured borrowings from directors and their relatives to meet margin requirement of bank borrowing. It is to be noted that the Company has not entered into any formal agreement with the lenders and there is no specific rate of interest and term of such unsecured borrowing is fixed.

The identified long term unsecured loan was in terms of the sanction condition of the bank borrowing, therefore the Company has complied with the applicable provisions of the Companies Act,2013 and was taken on arm’s length basis.”



DECLARATION

We hereby declare that all relevant provisions of the Companies Act 2013 and the rules, regulations and guidelines issued by the Government of India, or the rules, regulations or guidelines issued by the SEBI, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Corrigendum-cum-Addendum to Draft Letter of Offer is contrary to the provisions of the Companies Act 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contract (Regulation) Rules, 1957 and the Securities and Exchange Board of India Act, 1992, each as amended, or the rules, regulations or guidelines issued thereunder, as the case may be. We further certify that all disclosures made in this Corrigendum-cum-Addendum to Draft Letter of Offer are true and correct.

SIGNED BY ALL THE DIRECTORS, CFO AND CS OF OUR COMPANY

Name	Designation	Signature
Mr. Amit Vallabhbhai Gadhiya (DIN: 06604671)	Managing Director	Sd/-
Mrs. Ilaben Dineshbhai Paghdar (DIN: 07591339)	Executive Director	Sd/-
Mr. Harikrushna Shamjibhai Chauhan (DIN: 07710106)	Whole-time Director	Sd/-
Mr. Nirala Indubhai Joshi (DIN: 08055148)	Independent Director	Sd/-
Mr. Rohit Bhanjibhai Dobariya (DIN: 08085331)	Independent Director	Sd/-
Mr. Parshotam L Vasoya (DIN: 09229252)	Independent Director	Sd/-
Mrs. Poonam Pratik Kapupara (PAN: LFRPK8014D)	Chief Financial Officer	Sd/-
Mrs. Bhartiben Girdharbhai Ajudiya (A40194)	Company Secretary & Compliance Officer	Sd/-

Place: Jamnagar

Date: June 7, 2024